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Letter dated 16 July 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

The Counter-Terrorism Committee has received the attached report from the United Republic of Tanzania, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I should be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Counter-Terrorism Committee

02-48781 (E) 260702

Annex

Letter dated 12 June 2002 from the Permanent Representative of the United Republic of Tanzania to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

On instruction from my Government, I have the honour to transmit to you herewith the report of the United Republic of Tanzania pursuant to paragraph 6 of Security Council resolution 1373 (2001) (see enclosure).

(*Signed*) Daudi N. **Mwakawago**
Ambassador

Enclosure

Report of the United Republic of Tanzania to the Security Council pursuant to resolution 1373 (2001) on counter-terrorism measures

Operative paragraph 1
Subparagraph (a)
Question:
What measures, if any, have been taken to prevent and suppress the financing of terrorist acts in addition to those listed in your responses to questions on 1 (b) to (d)?

Response:
Strict application of 'know your customer' rules and procedures by financial intermediaries is an important element in the fight against both money laundering and financing of terrorism. In June 2000, the Bank of Tanzania, which is established by an Act of Parliament as a central bank, issued an 'Administrative Circular' on money laundering. The circular was issued as part of the Government's efforts to enhance regulatory structures for tracking and combating money laundering activities, which were outlawed by the Proceeds of Crime Act of 1991.

The circular is broadly intended to offer a framework of guidance to banks and financial institutions operating in the United Republic of Tanzania with regard to their responsibility in implementing the spirit of the Proceeds of Crime Act. The effect of the circular is that: banks and financial institutions should not maintain anonymous bank accounts for their customers, and they should instead verify their identities as a matter of priority. The scope of responsibility of commercial banks under the circular entails the following:

i. Developing anti-money laundering policies and procedures.

ii. Developing procedures with regard to retention of records of transactions conducted by banks and financial institutions.

iii. Establishing procedures to verify the identity of customers before establishing banking relationship with them.

iv. Providing training and guidance to staff in procedures and controls against money laundering.

v. Developing reporting mechanism of suspicious transactions to law enforcement agency.

The circular provides for administrative fines that may be imposed against any bank or financial institution in case of violation of any obligation under the circular. These include a monetary fine of not less than Tanzania shillings one million per day, against the institution or defaulting officers of the institution. Persistent violations of the circular may attract other sanctions including suspension from participating on the inter bank foreign exchange market, suspension or removal of officer or permanent disqualification from holding office in any bank or financial Institution and revocation of banking License, to mention a few.

As a follow up mechanism to the circular, the Bank of Tanzania has included in the onsite examination procedures aspects related to detection of suspicious transactions. Onsite examination of banks and financial institutions is done on a regular basis.

The circular also establishes regular on-site examination of banks and financial institutions aimed at detecting suspicious transactions.

Recently, the Bank of Tanzania also issued a directive to all banks and financial institutions requiring them to block and freeze all accounts and properties belonging to individuals and entities linked to terrorism, and prohibited transactions with those companies and individuals. Under the directive, banks and financial institutions were also required to report to the bank of Tanzania current and future activities of those individuals and companies linked to terrorism as provided by the United States of American government.

Notwithstanding these measures, the existing legal and regulatory structures may require upgrading in the context of the regional efforts on anti-money laundering and international initiatives to suppress and prevent the financing of terrorism. In that connection, a comprehensive review of the circular has already been initiated. The review will take into account the need to incorporate aspects of international standards geared towards combating the financing of terrorism, and thereby extend the scope of transactions subject to reporting obligations. More work will focus on the review of the legal framework with a view to strengthening measures aimed at detecting abuses of the financial system and tracking terrorist funds in the light of the Financial Action Task Force Recommendations to Counter Terrorist Financing.

We also recognize the need for enhanced exchange of information between national authorities in combating money laundering and financing of terrorism. As part of regional efforts under the Eastern and Southern Africa Anti-Money Laundering Group, (ESAAMLG) Tanzania has established a Multi-disciplinary Anti-Money Laundering Committee to coordinate and spearhead efforts against money laundering in Tanzania. The Committee submits regular country reports on progress achieved with regard to implementation of approved recommendations of the ESAAMLG Task Force.

It might be desirable to extend the mandate of the Committee to include measures towards combating financing of terrorism. In the same vein, initial consultations among stakeholders are also underway to establish a Financial Intelligence Unit in Tanzania, with a view to strengthening financial and economic intelligence information gathering. This will enable Tanzania to benefit from the Egmont Group of Financial Intelligence Units and thereby enhance her intelligence capacity in tracking sources of financing criminal activities including terrorism.

Subparagraph (b)
Question:
What are the offences and penalties in your country with respect to the activities listed in this subparagraph?

Response:
In terms of the Economic and Organized Crimes Control Act of 1984 in particular the provisions of paragraph 5 of the First Schedule, any person who intentionally or willfully organizes, manages, directs supervises or finances a criminal racket and knowingly furnishes advices, assistance or direction in the conduct, financing execution or management of the business affairs of a criminal racket with intent to reap profit or other benefits from such act or to promote or further the criminal objectives of the criminal racket is guilty of an offence of leading organized crime.

Conviction of any person of any economic or other offences under this Act may lead to imprisonment for a term not exceeding fifteen (15) years in addition to any order with respect to the property involved. Such orders may entail forfeiture of such property, divesting of interest of the convicted

person in any enterprise, dissolution of any enterprise or restriction on future activities or investments of a person convicted.

Subparagraph (c)
Question:
What legislation and procedures exist for freezing accounts and assets at banks and financial institutions? It would be helpful if states supplied examples of any relevant action taken.

Response:
The Proceeds of Crime Act of 1991 and the Mutual Assistance in Criminal Matters Act of 1991 provide legislative framework for freezing accounts at banks and financial institutions in Tanzania. Under Part V of the Proceeds of Crime Act restraining orders in respect of property of a person about to be charged with a serious offence or has been charged or convicted of serious offence may be granted by the High Court.

Subparagraph (d)
Question:
What measures exist to prohibit the activities listed in this subparagraph?

Response:
Legislative provisions mentioned in subparagraph (b) above constitute a key element of the measures taken to prohibit the activities listed in subparagraph (d). Essentially, these criminalize any act related to financing, participation, or facilitating through entities operating in Tanzania of any organized crime.

Operative paragraph 2
Subparagraph (a)
Question:
What legislation or other measures are in place to give effect to this subparagraph? In particular, what offences in your country prohibit recruitment to terrorist groups and the supply of weapons to terrorists? What other measures help prevent such activities?

Response:
All military recruitments are done in accordance with the constitution.

Strict Laws and regulations controlling ownership of firearms by individuals are applicable. These include:

- The National Security Act of 1970, which deals with the security of the nation as a whole.
- Arms and Ammunitions Act of 1992, deals with the possession and use of firearms, for, among others personal protection.
- Explosives Act of 1993, for possessing explosives for the purpose of using them in mining industries, road construction etc.

In addition, the business of importing and selling of guns, ammunition and explosives has been confined to a few companies, which are monitored closely by the government.

Subparagraph (b)
Question:
What other steps are being taken to prevent the commission of terrorist acts, and in particular what early warning mechanisms exist to allow swap over of information with other states?

Response:
The Police Force in collaboration with the Immigration Department does all the investigations including the Interpol and a watch list, which is, used as an information exchange with regard to any illegal movements of immigrants.

Subparagraph (c)
Question:
What legislation or procedures exist for denying safe haven to terrorists such as laws for excluding or expelling the types of individuals referred to in this subparagraph? It would be helpful if states supplied examples of any relevant action taken.

Response:
The Extradition Agreement and other Criminal legislation through bilateral agreements are used for the purpose of identifying and denying safe havens to terrorists.

Subparagraph (d)
Question:
What steps have been taken to establish terrorist acts as serious criminal offences and to ensure that the punishment reflects the seriousness of such terrorist acts? Please supply examples of any convictions obtained and the sentence given.

Response:
The Government is in the process of strengthening existing national laws in order to incorporate the aspect of terrorism.

Subparagraph (e)
Question:
What legislation or procedures exist to prevent terrorists acting from your territory against other states or citizens? It would be helpful if states supplied examples of any relevant action taken.

Response:
Information exchanges as well as bilateral Extradition Agreements are among the ways, which have been used to identify terrorists and other criminals. A good example is the 1998 terrorist attacks against the United States embassies in Nairobi and Dar es Salaam.

Subparagraph (f)
Question:
What procedures and mechanisms are in place to assist other states? Please provide any available details of how these have been used in practice.

Response:
At any given point in time, the government is ready to assist through information exchange, Interpol, bilateral extradition agreement and any other relevant means to make sure that all criminal proceedings related to terrorist acts are carried out smoothly with the intention of obtaining evidence necessary for the proceedings.

Subparagraph (g)
Question:
How do border controls in your country prevent the movement of terrorists? How do your procedures, for instance, of identity papers and travel documents to support these? What measures exist to prevent their forgery etc.?

Response:
The Government authority, with the intention to contain not only illegal immigrants but also criminals, properly controls all the border entries/points. Apart from this, information exchange and a watch list is also used for the same purpose.

Operative paragraph (3)
Subparagraph (a)
Question:
What steps have been taken to intensify and accelerate the exchange of operational information in the areas indicated in this subparagraph?

Response:
The government uses various ways in accelerating the exchange of operational information with regard to movements of terrorists. Such means include arms control regulations, immigration control, information exchange and others as may be necessary.

Subparagraph (b)
Question:
What steps have been taken to exchange information and cooperate in the areas indicated in this subparagraph?

Response:
All the necessary measures have been taken to exchange information and cooperate on matters related to terrorist activities. The Interpol has been used as the best option for information exchange with other countries. At regional level, the government has been cooperating fully on matters of criminal investigations, specifically on counter-terrorism.

Subparagraph (c)
Question:
What steps have been taken to cooperate in the areas indicated in this subparagraph?

Response:
The Government is cooperating through various regional organizations such as South African Development Community (SADC), East African Community, (EAC) as well as through the implementation of the United Nations General Assembly resolutions.

Subparagraph (d)
Question:
What are your government's intentions regarding signing and/ratifying the conventions, protocols and resolutions referred to in this subparagraph?

Response:
Tanzania has signed and ratified the following Conventions/Protocols related to terrorist activities as follows:

- Convention on Offences and Certain Other Committed on Board Aircraft, signed at Tokyo on 14th September 1963.

- Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16th December 1970.

- Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, signed at Montreal on 23rd September 1971.

- Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving international Civil Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, signed at Montreal on 24th February 1988.

The Government of the United Republic of Tanzania is in the process of signing and ratifying other Conventions mentioned in this subparagraph as part of the efforts to counter-terrorism.

Subparagraph (e)
Question:
Provide any relevant information on the implementation of the Conventions, Protocols and Resolutions referred to in this subparagraph.

Response:
Tanzania fully implements the Conventions and Protocols referred to in this subparagraph. In addition the government is trying to align them with existing national laws for their effective implementation.

Subparagraph (f)
Question:
What legislations procedures and mechanisms are in place for ensuring asylum seekers have not been involved in terrorist activity before granting refugee status? Please supply examples of any relevant cases.

Subparagraph (g)
Question:
What procedures are in place to prevent the abuse of refugee status by terrorist? Please provide details of legislations and/or administrative procedures, which prevent claims of political motivation being recognized as grounds for refusing requests for the extradition of alleged terrorist. Please supply examples of any relevant case.

Response:
With regard to the questions raised in subparagraphs (f) and (g) on granting refugee status to asylum seekers, the government of Tanzania strictly and fully adheres to the implementation of the provisions of the 1951 Convention Relating to the Status of Refugees and the OAU Protocol of 1967. The process of requesting for asylum is carefully scrutinized where an applicant is suspected of involvement in terrorist activities.

In addition to that, the Tanzania Refugee Act of 1998 has laid down strict administrative procedures and mechanisms for granting of refugee status to any asylum seeker. The National Eligibility Committee (NEC), established under the Act, is the relevant body for status determination. It investigates and seeks all relevant information from the appropriate sources within and outside the country and has the right to summon an applicant before it, whenever deemed necessary, to clarify

or answer questions pertaining to his/her claim for refugee status or asylum. The Act requires every asylum seeker or refugee to surrender whichever arms or ammunitions to the relevant authority, failure to which he/she shall be guilty of an offence and shall be liable on conviction to imprisonment for a term not exceeding two years.

Paragraph 4 on Assistance
Suggestion:
Capacity building in the following areas is needed:

- Identification of criminals and forged documents for officials dealing with business licensing and company registration.

- Information Technology for registration and business licensing officials. It will help them communicate with all stakeholders within and outside the country.

- Monitoring of suspected businesses for terrorists activities.